

The complaint

Ms M is unhappy that NewDay Ltd (Fluid) have refused to refund her for transactions she said she didn't authorise.

What happened

Ms M contacted Fluid in December 2024 to dispute two transactions made in November 2024 using her Fluid credit card. The first transaction was made on 2 November for £39.99 and the second transaction was made on 23 November for £49.99.

Fluid held Ms M liable for the transactions on the basis they were both contactless payments made using Ms M's physical card which Ms M confirmed was in her possession and seems to have been used to make genuine transactions around the disputed transactions.

Whilst complaining to Fluid, Ms M also raised that she wasn't told there was an outstanding balance on her account which led to her account falling into arrears and a default ultimately being registered on her credit file. Fluid said Ms M had an outstanding balance of just under £400 on her December 2024 statement with a payment due by 2 January 2025. A payment of £340 was received after this date and no further payments were made towards the account. As a result, Fluid felt recording the late payment and subsequent default was reasonable. Ms M was also unhappy that Fluid had been rude to her during a call.

One of our Investigators looked into Ms M's complaint but didn't uphold it. The Investigator thought the transactions were likely authorised by Ms M and so it was fair for Fluid to hold her liable. The Investigator also said that Ms M stated on a call that she wouldn't be repaying the disputed transactions because they weren't made by her meaning Ms M was aware of her account balance and Fluid were fair to report what they did to the credit bureau. Finally, the Investigator considered Ms M's concerns that Fluid had been rude during a call but concluded that Fluid hadn't treated Ms M unfairly.

Ms M disagreed with the outcome reached by the Investigator. In summary, Ms M reiterated that she didn't make the transactions and that she paid what Fluid told her she owed. Ms M said that during a call with Fluid she'd asked Fluid how much she owed so she could repay that amount and close the account. Ms M also said that she thought the account was closed in October before the disputed transactions were made.

As an agreement couldn't be reached, the complaint was passed to me for a decision.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

My role is to decide whether it was fair for Fluid to hold Ms M liable for the disputed transactions. I'll also be deciding whether it was fair for Fluid to record a late payment and default on the account as well as whether Ms M was treated unfairly during a call.

I've carefully considered all of the information on file but may not refer to every point raised. Instead, I've focused my decision on the issues which I consider a fair outcome depends upon. This isn't intended as a discourtesy to either party and is instead in keeping with our role as an informal Service.

As Ms M disputes authorising two transactions, it's for Fluid to show that those transactions were properly authenticated. Meaning Fluid need to show how the transactions were carried out in order to demonstrate that they were completed using Ms M's payment tools, such as her card. But even properly authenticated transactions can only be deemed authorised if they were made by Ms M or carried out with her consent. So, for me to conclude that Ms M shouldn't be held liable for the transactions, I'd first have to be satisfied that either the transactions weren't properly authenticated or that they were made without authorisation from Ms M.

Authentication

Having reviewed evidence of Fluid's internal system, I'm satisfied the transactions were authenticated using Ms M's credit card.

I know Ms M has said she that she didn't use her card to make the disputed transactions but the evidence I've seen shows that the transactions were contactless payments made using the card issued to Ms S. For the purposes of authentication, it's enough to see that one of Ms S's payment tools was used even if Ms M denies being the one using it.

So, I've gone on to consider whether Ms M authorised the transactions.

Authorisation

Ms M has consistently said she didn't make the transactions and I have no reason to doubt what she's said. But, as above, that's not enough for me to say the transactions weren't authorised by her. I must also be persuaded that Ms M didn't give consent for the transactions, perhaps by sharing her card with someone else.

There's been no suggestion that Ms M's card was lost or stolen. So, if Ms M didn't consent to the transactions by sharing her card with someone, the only way I see the transactions could have been carried out is if a third party took physical possession of Ms M's card. Ms M said her card remained in her possession meaning a third party would have needed to take – and replace – Ms M's card without her realising. There seems to be genuine transactions made between the two disputed transactions which means the third party would need to have returned Ms M's card after the first transaction but then taken and replaced it again to make the second transaction.

On balance, I find it unlikely that a third party was able to take possession of Ms M's card in this way without her noticing. I accept that Ms M might not have processed the transactions but that wouldn't have prevented her from sharing her card with someone else - and whilst I can't say this is definitely what happened, I think it's the more likely scenario meaning the transactions were carried out with Ms M's consent and were therefore authorised by her.

I can see Ms M said she thought her account was closed a month before the transactions took place but the evidence shows this wasn't the case. Ms M's account was closed following a call in January 2025 around two months after the transactions were made in November 2024.

I've listened to the call during which Ms M pays £340 and asks for the account to be closed. During that call Ms M expresses that she doesn't trust Fluid and that she wouldn't be paying

anything further. I've also reviewed Ms M's statements which showed the outstanding balance due in December was £389.99 as well as letters in February and March 2025 which advised Ms M first that there were arrears on the account and later Fluid issued a notice of default.

All in all, I can't say that Ms M wasn't aware of her account balance or that payment was due so I can't say Fluid have treated her unfairly. I appreciate Ms M doesn't agree that the transactions were authorised and so doesn't agree that she should be liable for them but, for the reasons explained above, the transactions were authorised and so it's fair for Fluid to hold Ms M liable for them. It's also not unreasonable for Fluid to report adverse markers that have been validly applied to an account.

I understand Ms M was unhappy with how she was spoken to by Fluid's fraud team and felt they'd been rude to her. I understand Ms M was unhappy with Fluid's decision to hold her liable for the transactions and imagine it's been a difficult time for Ms M as she feels strongly she's been defrauded. On balance, I've not seen evidence that Fluid treated Ms M unfairly.

Overall, there's no plausible explanation as to how Ms M's card was used to make the transactions without her knowledge and consent meaning the transactions were authorised by her. I've also not found that Fluid treated Ms M unfairly in any other way, so it follows that I've not directed Fluid to take any action.

My final decision

My final decision is that I don't uphold Ms M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 30 March 2026.

Freyja Dudley
Ombudsman